

<b>SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, &amp; 30</b>				1. REQUISITION NUMBER		PAGE 1 OF 19	
2. CONTRACT NO. SP0300-03-D-3061		3. AWARD/EFFECTIVE DATE 05/28/2003		4. ORDER NUMBER		5. SOLICITATION NUMBER SP0300-02-R-4003	
7. FOR SOLICITATION INFORMATION CALL:		a. NAME		b. TELEPHONE NUMBER (No collect calls)		8. OFFER DUE DATE/LOCAL TIME	
9. ISSUED BY Defense Supply Center Philadelphia 700 Robbins Avenue Philadelphia, PA 19111-5092				10. THIS ACQUISITION IS <input type="checkbox"/> UNRESTRICTED <input type="checkbox"/> SET ASIDE: % FOR <input type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> HUBZONE SMALL BUSINESS <input type="checkbox"/> 8(A) NAICS: SIZE STANDARD:		11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE  <input type="checkbox"/> 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) 13b. RATING 14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input type="checkbox"/> RFP	
15. DELIVER TO See Schedule				16. ADMINISTERED BY Same as block 9.			
17a. CONTRACTOR/OFFEROR The Public Warehousing Company (PWC) P.O. Box 25418, Safat 13115 Kuwait		17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER		18a. PAYMENT WILL BE MADE BY DFAS - Columbus DFAS - CO - SEPS P.O. Box 182317 Columbus, Ohio 43218-6260 Phone: 614-693-0149			
18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM							
19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES			21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	Full Line Food and Non-Food Distribution For Authorized Customers In The Middle East Zone (Kuwait & Qatar) Listed In Solicitation SP0300-02-R-4003.  Ordering Period: One Year, Starting From The Date Of The First Order.  (Use Reverse and/or Attach Additional Sheets as Necessary)						
25. ACCOUNTING AND APPROPRIATION DATA 97X4930.5CS0 01 26.0 S33150						26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$22,391,904.00	
27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED							
27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED							
28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.						29. AWARD OF CONTRACT: REF. PWC OFFER DATED 05/22/2003. YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:	
30a. SIGNATURE OF OFFEROR/CONTRACTOR				31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)			
30b. NAME AND TITLE OF SIGNER (Type or print)		30c. DATE SIGNED		31b. NAME OF CONTRACTING OFFICER (Type or print)		31c. DATE SIGNED	
				Linda L. Ford		MAY 30 200	

**CONTRACT SP0300-03-D-3061 - THE PUBLIC WAREHOUSING COMPANY (PWC)**

**PRIME VENDOR - MIDDLE EAST / KUWAIT & QATAR**

**SOLICITATION/CONTRACT FORM**

The following documents are incorporated into this subject contract:

- Solicitation SP0300-02-R-4003 dated 10 May 2002
- Amendment 0001 dated 19 June 2002
- Amendment 0002 dated 15 July 2002
- Amendment 0003 dated 07 August 2002
- Amendment 0004 dated 28 February 2003
- Amendment 0005 dated 01 April 2003
- PWC Final Proposal dated 14 April 2003
- PWC FAX dated 22 May 2003
- PWC Notice of Award dated 28 May 2003

Note: The Government agrees that any proprietary information contained in this document will be protected. Public Warehousing Company (PWC) will be required to provide the services and enhancements detailed within their solicitation proposal.

**SUPPLIES OR SERVICES AND PRICES**

**SERVICES:**

- Public Warehousing Company (PWC), as Prime Vendor for the Southern European Region will provide full service food and non-food distribution support for Kuwait and Qatar customers listed in solicitation SP0300-02-R-4003 as amended.

**FREE ON BOARD (F.O.B.) POINT:**

- Under normal conditions **F.O.B Destination** terms apply. The Government shall not be liable for any delivery, storage, demurrage, accessorial, or other charge involved before the actual delivery (or "constructive placement" as defined in carrier tariffs) of the supplies to the final destination. The Contractor shall pay and bear all charges to the specified point of delivery. For complete definition of F.O.B. Destination, see FAR Clause, 52.247-34, **F.O.B DESTINATION**.
- Under special circumstances; i.e. special military exercises, **F.O.B. Origin** terms will apply. In these instances, the Government will accept product at the Prime Vendors CONUS facility (FOB Origin) and a fifty percent reduced distribution fee shall be applied. For complete definition of F.O.B. Origin, see FAR Clause, 52.247-29, **F.O.B. ORIGIN**. On any F.O.B. origin shipment, the prime vendor must arrange for USDA Inspection and is responsible for associated cost.

**INSURANCE/LIABILITY AND CLAIMS:**

"The MTMC designated ocean carrier will be responsible for any loss or damage to products during "Point to Point" transportation. Any Discrepancy reports will be resolved between the Prime Vendor and the ocean carrier. The DSCP is not responsible for any loss or damage to products during transit. The Prime Vendor must file any claims for loss or damage to such products directly with the ocean carrier.

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A copy of the claim shall be forwarded to MTMC and DSCP. MTMC will monitor the resolution of such claims and make a good faith effort to have such claims resolved expeditiously. MTMC point of contact information follows:

MTMCPCCEN  
ATTN: MTOP-GD-CS / Pam Mainor  
Room WS 86-2N  
661 Sheppard Place  
FT. Eustis, VA 23604

Phone: (757) 878-8622  
FAX: (757)-878-7994  
E-mail: [mainorp@mtmc.army.mil](mailto:mainorp@mtmc.army.mil)

**FOOD SERVICE OPERATING SUPPLIES (FSOS) CATALOG:**

For the purposes of FSOS (categories 33 - 35) ordering, receiving, disbursing and billing, the contract number SP0300-03-D-N030 shall be used. A separate FSOS Catalog must be maintained under this number. The contract number to be used for contracting and administrative purposes remains at SP0300-03-D-3061.

**ADDITIONAL CUSTOMERS:**

Additional DLA authorized customers in the solicited zone may be added or deleted at no additional cost to the Government, based on a mutually agreed upon implementation plan. Such authorized customers may include commissaries run by United States embassies and consulates throughout Zones I, II and III. In regard to France, additional customers may be added to Zones I or II. In determining which Prime Vendor will service which additional customer, DSCP may consider factors such as proximity to existing Prime Vendor facilities, contract dollar thresholds, total asset visibility, past performance and DTS service and availability. Any United States embassy or consulate outside of the solicited zones may be added to zones I, II or III at a negotiated cost using the above factors of consideration.

**PRICING:**

**A. Pricing will be based on the following pricing formula:**

**Unit Price** - The unit price is defined as the total price (in U.S. currency) that is charged to DSCP per unit for a product delivered to the Government.

NOTE: Multiple Unit Prices for the same item are not permitted.

**Delivered Price** - (also known as "product price", and/or "landed costs")

For CONUS purchases -- The delivered price is the manufacturer/supplier's actual invoice price (in U.S. currency) to deliver product to the Prime Vendor's CONUS distribution point.

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**NOTE:** For those items being picked up by the Defense Transportation System (DTS) from the manufacturer/suppliers facility (also known as "Source load" or "drop-shipments"), the delivered price is the manufacturer/supplier's actual invoice price (in U.S. currency) for product only. The delivered price in this instance shall not include any transportation costs to the Prime Vendor's CONUS distribution point.

For OCONUS purchases -- The delivered price is the manufacturer/supplier's actual invoice price (in U.S. currency) to deliver product to the Prime Vendor's OCONUS distribution point.

**NOTE:** For those items being delivered directly to the end-user customer from the OCONUS manufacturer/supplier (for example: chemical products) -- the delivered price shall not include any transportation costs, as those would be considered as part of the Offeror's Distribution Price.

**Distribution Price** – The Distribution Price is defined as a firm fixed price, offered as a dollar amount, which represents all elements of the unit price, other than the delivered price. The distribution price typically consists of the Prime Vendor's projected general and administrative expenses, overhead, profit, packaging costs, transportation cost from the Prime Vendor's OCONUS distribution facility(s) to the final delivery point or any other projected expenses associated with the distribution function. This distribution price is intended to reflect the difference between the delivered price and the unit price to deliver the specified product to the ordering activity. This distribution price shall represent the amount to be added to the actual invoice price paid to the manufacturer or supplier by the Prime Vendor for each item. This distribution price shall remain fixed for the base year of the contract, and is subject to any agreed option year adjustments.

Although technically part of the distribution price, for the purposes of this solicitation, ocean transportation costs (the cost of shipping the product from contractor's CONUS facility(s) to the contractor's OCONUS facility(s), aka "Point to Point" delivery), will be deleted from the delivered price. Accordingly, for purposes of submitting offers under this solicitation, ocean transportation costs will be ignored. The Defense Transportation System will handle point-to-Point delivery.

B. The Government's ordering system requires that pricing will be fixed for a certain period of time. Pricing will be at the time of order. These prices will be fixed until delivery, provided that delivery is requested within the time frame of six (6) days starting the day after the order is placed. If delivery is not requested until after this time frame, pricing will be as of the delivery date.

**For example:** Orders placed on March 1<sup>st</sup> will be priced at time of order, if the delivery is required between March 2<sup>nd</sup> and March 7<sup>th</sup>, inclusive. However, if delivery is not required until March 8<sup>th</sup>, or after, the order will be priced with those prices in effect at the time of delivery.

A. Vendors may change prices in their STORES Vendor Item Catalog once every two weeks. The submissions are to be made by Thursday, to be in effect the following Sunday. All price changes must be submitted to DSCP via the 832 EDI Transaction Set. This transmission must be received no later than Thursday, 12:00 P.M., Philadelphia time.

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See solicitation attachment entitled "EDI Implementation Guidelines" for more information on the various EDI transaction sets required under this contract.

**B. Distribution Categories and Distribution Prices are as follows:**

<b><u>CATEGORY NUMBER</u></b>	<b><u>CATEGORY DESCRIPTION</u></b>	<b><u>DISTRIBUTION PRICE</u></b>	<b><u>PRICE PER</u></b>
1	Beef (Pre-cut Steaks) (Raw)		
2	Beef (Other) (Raw)		
3	Pork or Lamb (Raw)		
4	Poultry (Raw)		
5	Seafood (Shellfish) (Raw)		
6	Seafood (Canned) (Raw)		
7	Seafood (Other than shellfish or canned)		
8	Fruits/Vegetables (Frozen)		
9	Fruits/Vegetables/Tomato Paste (Number 10 Size Cans)		
10	Fruits/Vegetables/Tomato Paste (Non- refrigerated – other than number 10 size cans)		
11	Cereals		
12	Pasta or Rice		
13	Prepared Foods/Entrees/Precooked Foods- Frozen (Heat & Eat – No Other Preparation Required)		
14	Snack Foods (to include Chips, Cookies, Granola Bars, Candy, Individual Pastries)		
15	Soups, Bouillons, Gravy Bases or Gravy Mixes		
16	Cheese		
17	Dairy (Other than cheese)		
18	Bakery Products to include dough (Chilled or Frozen)		
19	Baking mixes, Baking Ingredients or Pie Fillings		
20	Spices, Flavorings or Food Colorings		
21	Sugar or Flour (Bulk sizes)		
22	Dressings, Sauces, Toppings, Syrups, Condiments, Jams or Jellies – Bulk Sizes		
23	Dressings, Sauces, Toppings, Syrups, Condiments, Jams or Jellies – Table top sizes or individual/portion controlled sized items		
24	Shortenings and Oils (i.e., cooking oil, salad oil, olive oil, etc.)		
25	Coffee, Tea or Cocoa (Dry)		
26	Beverages		
27	Beverage Bases and Concentrates (liquid or dry) to include dispenser products		
28	Other Refrigerated Food Products Not Covered Above		

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29	Other Non-Refrigerated Food Products Not Covered Above	
33	FSOS (Chemicals or Cleaning Agents)	
34	FSOS Other (Items Issued Individually)	
35	FSOS Other (Items Issued By Case)	
37	Prime Vendor Cataloged Items which are Not In Stock (NIS) which DSCPE furnishes to Prime Vendors as GFM Material for distribution	
43	Prime Vendor FF&V (BPA – Zone III Only)	
44	Prime Vendor Dairy and other items that are required to be cooled, chilled or frozen to maintain wholesomeness (BPA – Zone III only)	
45	Prime Vendor Fresh Bakery (BPA – Zone III only)	

Note: Above stated distribution fees are based on the category unit of issue. For actual catalog pricing when the ordered/cataloged item(s) unit of issue differs from the category unit of issue the distribution fee must be converted (broken down) to reflect the actual unit of issue distribution price of the ordered/cataloged item. An example of this is as follows:

Category 9 – Fruits/Vegetables/Tomato Paste (Number 10 Size Cans) - \$ 8.95 per case  
The case consists of 6 cans, so to arrive at the actual distribution price per can you would divide \$ 8.95 by 6, which calculates to \$1.4916. This price is then rounded to reflect \$ 1.49. This price would be the distribution fee per the unit of issue (CAN).

- C. Per 52.214-9P06 unit prices shall be limited to a maximum of two decimal places. See solicitation clause 52.214-9P06 on solicitation page 109 for examples of rounding.

**ESTIMATED CONTRACT DOLLAR VALUE:**

	Estimated Value	Guaranteed Minimum	Maximum
<b>Base Year</b>	\$ 22,391,904.00	\$ 3,358,785.60	\$ 291,094,752
<b>Option Year 1</b>	\$ 22,391,904.00	\$ 3,816,392.25	\$ 291,094,752
<b>Option Year 2</b>	\$ 22,391,904.00	\$ 3,816,392.25	\$ 291,094,752
<b>Option Year 3</b>	\$ 22,391,904.00	\$ 3,816,392.25	\$ 291,094,752
<b>Option Year 4</b>	\$ 22,391,904.00	\$ 3,816,392.25	\$ 291,094,752
<b>5 Year Totals</b>	\$111,959,520.00	\$16,793,928.00	\$ 1,455,473,760

The guaranteed minimum for each zone will be fifteen percent (15 %) of the zone's estimated dollar value per contract period. The normal maximum ceiling for each zone will be two hundred percent (200%) over the zone's estimated dollar value. In the event of contingencies, the Government may unilaterally execute a higher ceiling.

Under contingencies, the maximum dollar value for each zone will be limited to twelve hundred percent (1200%) over the zone's estimated dollar value. The minimum and maximum percentages indicated above also apply to the individual option periods, if invoked.

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**Descriptions/Specifications**

**DEMURRAGE:**

Demurrage costs for all customers will start accruing after 4 hours and these costs shall not exceed \$25 dollars per hour with a maximum of \$400.00 per day per truck. Customers will absorb demurrage costs associated with offloading delays except when such delays are prime vendor/contractor caused.

**ORDER LEAD TIMES:**

The Prime Vendor shall stock items in sufficient quantities to fill all ordering activity requirements. Normal routine deliveries shall be made within 6 days after order placement. Order placement must be made before 12 noon to be considered for the day. For example, orders placed before noon on March 1<sup>st</sup> would have a required delivery date of March 3<sup>rd</sup>. Orders placed after noon on March 1<sup>st</sup> would have required delivery date of March 4<sup>th</sup>. Exceptions may apply for remote areas. Deliveries shall average 1-3 times per week to each customer. Certain customers, such as Military Hospitals, Child Care Centers and other facilities serviced may require more frequent deliveries due to such factors as less storage capacity.

**SHELF LIFE:**

**All Customers (specific exceptions are identified below):** Acceptance of supplies will be limited to product processed and packed from the latest pack available or the latest seasonal pack during the contract period. All products delivered shall be as fresh as possible, and within the manufacturer's original shelf life period (i.e. "Best if Used By date", "Expiration Date", or other markings). For annual pack items, products will be from the latest seasonal pack available. Chilled products shall not be frozen in an attempt to extend the products' shelf life.

**Land-Based Customers:** No product shall be delivered to customers with less than 30 days manufacturer's original shelf life remaining unless the customer grants prior written approval.

**MANAGEMENT:**

The contractor shall ensure that all contractor employees, subcontractors, subcontractor's employees, invitees and agents comply with all guidance, instructions and general orders applicable to U.S. Armed Forces issued by the Theater Commander or his/her representative, as well as, all pertinent Department of the Army and Department of Defense directives, policies and procedures, as well as federal statutes, judicial interpretations and international agreements (i.e., Status of Forces Agreements, Host Nation Support Agreements, etc.) applicable to U.S. Armed Forces. This will include any and all guidance and instructions issued based upon the need to ensure mission accomplishment, force protection and safety. The Contracting Officer will resolve disputes.

Notwithstanding the above, the Contracting Officer is the only authorized official who may increase, decrease or alter the scope of work to be performed, and any orders or instructions interpreted by the contractor as impacting the scope or cost of the contract shall immediately be brought to the attention of the Contracting Officer for resolution.

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The contractor shall take reasonable steps to ensure the good conduct of its employees and shall at all times be responsible for the conduct of its employees and those of its subcontractors and invitees. The contractor shall promptly resolve, to the satisfaction of the contracting officer, all contractor employee performance and conduct problems identified by the cognizant contracting officer or his/her designated representative.

The contracting officer may direct the contractor, at the contractor's expense, to remove or replace any contractor employee failing to adhere to instructions and general orders issued by the Theater Commander or his/her designated representative. The contractor will replace such employee within 72 hours or as directed by the Contracting Officer.

**SECURITY MEASURES/FORCE PROTECTION:**

As vendors/contractors under Government contract, quality control procedures must be heightened to ensure that product entering your facility is safe for public consumption. The following security guidance is provided:

Make sure all boxes, bags, etc. are intact and demonstrate no evidence of tampering. All incoming truck drivers should provide adequate identification upon request. Visitors should also be properly identified and access limited to appropriate areas. Procedures for storing product should adequately control access to eliminate any possibility of product adulteration. Review lighting and camera conditions at their facilities and consider whether fencing and locking devices are adequate. Never leave open trucks unattended, and use seals when possible to designate loaded trailers. Security seals shall be properly placed on delivery vehicles and registered/logged in per delivery. Ensure employee background checks are up to date. Ensure drivers have communication devices available in the event of an emergency and establish emergency phone numbers for them to use. Firms should keep a low profile and share customer routes, etc. on a need to know basis. Review of overall organizational corporate security plans should be conducted and consider whether private security firms are needed to assess or reduce risk. It is important to convey to all warehouse, office and fleet personnel that security should not be taken lightly and any suspected adulteration or evidence of product tampering must be reported immediately.

**Packaging, Marking & Palletization**

**PACKAGING AND PACKING:**

All customers:

(1). Except as identified below, all packaging and packing shall be in accordance with good commercial practice and labeling shall be in accordance with commercial labeling complying with the Federal Food, Drug and Cosmetic Act, and regulations promulgated there under. Shipping containers shall be snug fitting and in compliance with the National Motor Freight Classification and Uniform Freight Classification Code.

Contractor shall be responsible for abiding to any applicable packaging, packing and marking regulations of the various countries in/through which product will be stored/transported.

(2). All meats, poultry, and seafood will be vacuum packed when practical. In all instances, the packaging will protect the product from freezer burn and contamination.



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(3). Frozen product must be processed and packed to allow removal of the individual units from the container without damage to that or other units. The intent is to be able to remove only that amount of product required for current needs, without the necessity of defrosting.

(4). Chill and Freeze products must be shipped in Refrigerated (Reefer) Vans and appropriately separated per temperature requirements.

(5). Semi-Perishable (dry) goods must be separated from the Chill and Freeze items.

**MARKING/LABELING:**

A. To ensure that the carrier and the receiving activity properly handle and store items, standard commercial precautionary markings such as **"KEEP FROZEN"**, **"KEEP REFRIGERATED"**, etc., shall be used on all cases when applicable.

B. To the maximum extent possible, nutritional and ingredient labels shall be placed on the individual package.

**C. Code Dates**

1. Land Based Customers: All products shall be identified with readable dates (open code dates or coded dates), as determined by the type of product delivered. For perishable, non-shelf stable (chill and freeze) items, readable open code dates clearly showing the Use By Date, Date of Production, Date of Processing/Pasteurization, Sell By Date, Manufacturer Shelf Life Date, or similar markings are required. For semi-perishable, shelf stable (dry) items, open dating is preferred, but code dating is acceptable. Contractors that do not use open dating shall provide a product code key to each operating delivery point, each customer facility's Military Food Inspector, the account manager, and the DSCPE product services office within 30 days of catalog completion.

D. Pallet placards are required for palletized loads to OCONUS destinations.

**1. Regarding the placement of the placards on the pallets:**

A placard may be positioned on the sides of the unit load just prior to applying the last layer of stretch (shrink) wrap. The outside label/placard shall be placed on either their identification-marked side of the load, or on the opposite side.

**2. Regarding the material used for the placard:**

The marking panel (placard) shall be constructed of any class or grade of solid fiberboard, and it must be affixed with tape and adhesive so as to remain securely attached to the load.

**3. Regarding the size of the markings on the placard:**

Markings on palletized loads shall be ¾ inch or larger for interrupted stenciled letters, and ½ inch or larger for solid letters.

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4. The phrase “**FOR U.S. MILITARY FORCES IN EUROPE – NOT FOR RESALE**” must be conspicuously present and visible on the placard and is required in order to expedite all products through the foreign delivery points.

**PALLETIZATION:**

All prime vendor shipments must be palletized in accordance with good commercial practices. The Prime Vendor is responsible for the purchase of all pallets. Where practical, pallet exchange programs will be implemented by customers. Pallets may not always be returned on a 1 to 1 basis.

This does not relieve the contractor from delivering products on the proper type pallet. Pallet retrieval and all associated costs shall be the responsibility of the Prime Vendor.

**Worldwide Packing List Requirements:**

Reference amended solicitation pages 45 – 46.

**Radio Frequency (RF) Tag Requirements:**

Reference amended solicitation pages 46 – 49.

**Inspection and Acceptance**

**INSPECTION AND ACCEPTANCE:**

**D. FOB Destination Shipments:**

Inspection and acceptance of products will be performed at final destinations. However, all food deliveries are subject to military veterinary inspection and all delivery vehicles are subject to sanitary inspection at destination. The inspection is normally limited to identity, count and condition; however, this may be expanded if deemed necessary by either the military inspector, or the dining facility manager of food service.

The authorized receiving official at each delivery point is responsible for inspecting and accepting products as they are delivered. The invoice/delivery ticket shall not be signed prior to the inspection of each product, unless agreed upon by the receiving activity (customer).

All overages/shortages/returns are to be noted on the invoice/delivery ticket by the receiving official and truck driver. A signature on the invoice/delivery ticket denotes acceptance of the product. No invoice may be submitted for payment until acceptance is verified.

**B. FOB Origin Shipments:**

Inspection and acceptance of products will be performed at the prime vendors CONUS distribution point by a prime vendor paid USDA official. Inspection will normally be limited to identity, count and condition.

The USDA official will sign the prime vendor prepared DD Form 250 form denoting acceptance of the product by the government. Invoices matching the DD250 quantities along with a copy of the DD250 will be express mailed by the prime vendor to both DSCP and the end customer.

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**ACCEPTANCE REQUIREMENTS FOR FROZEN ITEMS:**

The Prime Vendor is responsible for proper product storage, segregation, and delivery of product in excellent condition. The Prime Vendor will maintain product using normal industry standards. In order for frozen items to be accepted by the receiving activity, the following criteria must be observed:

1. Packages must be solid, not soft, upon arrival
2. Container and wrapper must be intact, not damaged, and in a solid condition
3. Packages must be free of drip, and show no evidence of thawing and re-freezing (i.e., watermarks on boxes, off odor), or dehydration
4. Cello wrapped packages will not be discolored or show other signs of freezer burn

Evidence of thawing and refreezing shall be cause for rejection of an item.

**REJECTION PROCEDURES:**

A. If product is determined to be defective, damaged, or compromised in any other manner, it may be rejected by the receiving official.

B. When product is found to be non-conforming or damaged, or otherwise suspect, the receiving official shall reject the item and/or determine the course of action to be taken with the product in question. If present, the Contracting Officer's Representative (COR) may be consulted. The final decision is to be made by the receiving official.

C. In the event an item is rejected, the invoice/delivery ticket shall be annotated as to the item(s) rejected. These items shall then be deducted from the invoice/delivery ticket, with the invoice/delivery ticket total dollar value adjusted to reflect the correct dollar value of the shipment. Replacements will be authorized based on the customer's needs. To the greatest extent possible, on an as-needed emergency basis, next day re-delivery of items that were previously rejected shall be made, so that the customer's Food Service requirements do not go unfulfilled. The redelivered items will be redelivered under a separate invoice/delivery ticket, utilizing the same call number, clin number and Purchase Order number for the discrepant line. These redeliveries will not constitute an emergency requirement, and therefore will have no additional charges.

D. In the event that a product is rejected after initial delivery is made, the Prime Vendor will pick up the rejected product. The customer will handle credit due to the ordering activity(s), as a result of the rejected product being returned, through a receipts adjustment process in STORES. The Prime Vendor's invoice/delivery ticket shall also be annotated with the information that the item has been rejected by the customer, the dollar value of the invoice/delivery ticket corrected, and with an indication that credit has been given by the Prime Vendor. If the vendor has already been paid for the product, a claim will be issued through DSCP's financial system. If a customer requires a one-to-one replacement, no additional paperwork is necessary. The Prime Vendor's invoice/delivery ticket will show that product is a replacement for the rejected item. The invoice shall reference the call number, clin number and Purchase Order number of the originally ordered product. In addition, a copy of the credit memo from returned product is to be attached to the invoice.

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E. It is a requirement of this solicitation that product shall be inspected upon receipt as promptly as practicable. However, failure to promptly inspect or accept supplies shall not relieve the contractor from responsibility, nor impose liability on any of the customers, for non-conforming supplies.

F. Supplies transported in vehicles, which are not sanitary, or which are not equipped to maintain prescribed temperatures, may be rejected by the customer without further inspection.

**Deliveries and Performance**

**CURRENT CUSTOMERS AND DELIVERY INFORMATION:**

Refer to pages 62 - 65 of the amended solicitation.

**CONTRACTOR ACCOUNTABILITY:**

In keeping with United States' commitments to insure that products imported into foreign countries, for use by the United States Armed Forces, is not converted to other use, the Prime Vendor(s) are responsible to develop and implement a system to insure accountability of products procured by the United States under this contract. Furthermore, Prime Vendors are required to segregate Government stocks from commercial stocks during OCONUS warehousing and shipping.

**ITEM AVAILABILITY:**

Items must be stocked in sufficient quantities to fill all ordering activity requirements. Surges in demand must be taken into consideration when determining stocking procedures. Also, lead times from CONUS to OCONUS must be considered.

**POINT OF DELIVERY INFORMATION:**

A. It is a requirement of this solicitation that each delivery point receive its entire order, within a scheduled delivery period. The contractor shall remove all excess pallets used for delivery of products from the delivery points. Dependent upon the specific customers, deliveries shall average 1-3 times per week to each customer, unless the customer and the Prime Vendor agree upon more or less frequent stops.

B. Installation delivery routes and stop-off sequences (if applicable) will be coordinated and verified with the installations on a **post award** basis by the awardee(s).

C. Upon completing the delivery(ies), and before the carrier leaves, the installation copies of the invoice/delivery ticket may be required to be delivered to a central "Accounting/Troop Issue" activity of the installation.

D. Prime Vendor contractors should be aware that projected feeding strengths at each Military location are subject to fluctuations based on a variety of factors, i.e. seasonal increases/decreases in personnel, surges in personnel during training exercises or crisis situations, or troop transfers, etc.

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Therefore, it is critical that Prime Vendor Customer Service Representative(s) should be able to converse fluently in English, and maintain open communications with the individual bases to be aware of these fluctuations and work closely with the customers to provide the increased quantity and frequency of deliveries needed during these critical times.

E. All deliveries are subject to Military Veterinary Medical inspection at the assigned delivery destination point.

E. Consists/manifests are required for all deliveries.

**FILL RATE REQUIREMENTS:**

A. Order fill rates shall be calculated on an on-time, per order basis and tracked for weekly and monthly submission to the Contracting Officer/Account Manager. The fill rate shall be calculated as follows, and shall not include mispicks, damaged cases, etc.:

$$\frac{\text{Cases accepted}}{\text{Cases ordered}} \times 100 = \text{FILL RATE } \%$$

Fill rates shall be calculated and reported with and without substitutions.

B. The fill rate requirement on this contract is 98% before substitutions.

**HOLIDAYS:**

All orders are to be delivered on the specified delivery date. However, when a scheduled delivery falls on a holiday, the Prime Vendor shall make delivery arrangements in advance with the customer to prevent disruption of service. Upon request, the Contracting Officer Representative will assist in identifying country specific holidays.

**EMERGENCY ORDERS:**

The contractor shall provide a minimum of two emergency orders (excluding mobilization actions) per month, per installation, at no additional charge. Expeditious fulfillment of the emergency requirement is imperative. The Prime Vendor is responsible for providing the ordering facilities the name of the Customer Service Representative for notification of receipt and handling of such emergency service and will provide their business phone number, fax number, email address, and/or pager number.

**AUTHORIZED RETURNS:**

A. The contractor shall accept returns under the following conditions:

- a. Products shipped in error
- b. Products damaged in shipment
- c. Products with concealed, or latent damage
- d. Products that are recalled
- e. Products that do not meet shelf life requirements

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- f. Products that do not meet the minimum quality standards
- g. Products delivered in unsanitary delivery vehicles
- h. Products delivered that fail to meet the minimum/maximum specified temperatures
- i. Quantity excess as a result of order input error and/or Purchase Ratio Factor errors
- j. Unauthorized substitutes

B. Any other condition not specified above that is deemed to be a valid reason for return of product.

**SHORT SHIPMENTS/SHIPPING ERRORS:**

A. Short shipments will be noted by the receiving official on the delivery ticket/invoice(s) accompanying the shipment. The Prime Vendor's representative (in this case, the truck driver), will acknowledge and counter-sign the delivery ticket/invoice.

B. Any product delivered in error by the Prime Vendor (and not accepted by the customer) must be picked up on the next delivery day after notification by the ordering facility.

C. Prime Vendor is responsible for removal of empty pallets and all packaging materials on the next delivery date to ordering facilities.

**Contract Administration Data**

**CONTRACTING AUTHORITY:**

A. The DSCP Contracting Officer is the only person authorized to approve changes, or modify any requirement of the resultant contracts. Notwithstanding any provision contained elsewhere in this contract, the said authority remains solely with the DSCP Contracting Officer.

B. In the event the Prime Vendor effects any change at the direction of any person other than the DSCP Contracting Officer, or the Contracting Officer's Representative (COR), although that person may possess "apparent Government authority", the change will be considered to have been made without authority and no adjustment will be made under this contract to cover any increase in costs as a result thereof.

C. Requests for information on matters related to this contract, such as an explanation of terms or contract interpretation, shall be submitted to the DSCP Contracting Officer.

**INVOICING:**

A. All invoicing for payment is to be filed electronically using EDI Transaction set 810. (See Attachment 5). No paper invoices should be submitted to DFAS for payment.

B. All invoices submitted by the Prime Vendor must be "clean", i.e., all debits and/or credits must be reflected on the invoice prior to its submission.

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C. Invoice transactions may be submitted to DSCP daily; however, it cannot be stressed enough that all internal debit/credit transactions must be completed prior to the submission of the invoice.

D. The same invoice cannot be submitted with different dollar amounts, without approval by DSCP.

E. The Prime Vendor will be required to submit test 810 transactions sets 30 days prior to first order.

F. Invoices may not be submitted as "LIVE DATA", until a test transaction set has been cleared by DSCP.

G. For catch weight items, the standard rounding method must be observed, i.e. <5 – the weight of the item is rounded down, = or >5 – the weight of the item is rounded up, with all weights rounded to whole pounds.

H. **ADD-ON ITEMS BY PRIME VENDOR CONTRACTORS** – When a Prime Vendor customer adds an item to an existing order (e.g. "9999 clin"), the Prime Vendor contractor should add these items to the end of the original invoice. An "add-on" is an item or items ordered after the original electronic order has already been released, and must be placed through other means; e.g. by telephone, fax, etc., but the items will be delivered along with the original order. When add-ons are invoiced separately in lieu of with the invoice for the original order, it greatly complicates the payment process. A clean invoice, i.e., an invoice that totally matches what was delivered expedites the payment process considerably. Therefore, DSCP *strongly encourages* our Prime Vendors to invoice as above.

**ADMINISTRATION:**

A. Administration for the basic Indefinite Quantity contracts resulting from this solicitation will be performed by DSCP. A designated representative at the ordering activity, which placed the actual order, will perform administration on individual delivery orders. In this regard, administration includes approving product substitutions, placing orders, determining delivery date, quantities, and item changes, and receipting of products received.

B. Any changes or modifications to orders, outside the terms contemplated in this solicitation, must be first approved by the DSCP Contracting Officer.

**PAYMENTS:**

A. Defense Finance Accounting Center (DFAS) Columbus is the payment office for this acquisition. The DFAS Columbus Center's Website address is:

<http://www.dfas.mil/money/vendor/>

B. Payments of delivery orders will be made in accordance with the terms and conditions of Paragraph (i) of Clause 52.212-4 "*Contract Terms and Conditions – Commercial Items*", appearing in the section of this solicitation entitled "*Contract Clauses*".

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C. Payment is currently being made in approximately 7 days after the receipt of a proper invoice; however, it is still subject to the terms and conditions of the Prompt Payment Act (31 U.S.C. 3903).

D. DFAS Columbus will no longer forward a detailed summary of payment(s); this information will only be available from the Prime Vendors' financial institution.

E. The Government intends to make payments under the resultant contract(s) by Electronic Funds Transfer (EFT). Reference Clause 52.232-33, "*Mandatory Information for Electronic Funds Transfer Payment*" appearing in the section of this solicitation entitled "*Contract Clauses*". However, the election as to whether to make payment by check or by Electronic Funds Transfer is at the option of the Government.

**Special Contract Requirements**

**PRIME VENDOR MANAGEMENT REPORTS:**

The fill rate report must be submitted on a weekly basis, every Wednesday no later than close of business. Monthly reports shall be cumulative for a one (1) month period, and must be submitted no later than the seventh (7<sup>th</sup>) day of the following month; e.g., for the reporting period of January 1 through January 31 – referenced reports must be received by February 7. Note: The Government reserves the right to require the submission of additional reports or the following reports on a more frequent basis.

**A. Weekly Fill Rate Report**

The Prime Vendor will submit a weekly report reflecting the previous weeks business, by customer per individual distribution platform area and overall, to the DSCP Contracting Officer with the following information:

1. Fill Rate without Substitutions
2. Fill Rate with Substitutions
3. List of all items that were Not In Stock (NIS), returned, damaged, mispicked, etc.
4. List all items that were "substituted", and indicate the reason they were substituted

**B. Monthly Small Business Subcontracting Report**

1. List products manufactured and/or supplied by Small businesses, Small Disadvantaged Businesses, Minority-owned Small Businesses, National Institute for the Blind/National Institute for the Severely Handicapped (NIB/NISH), Hub-Zone Small Businesses Women-owned Small Businesses, Women-owned Small Disadvantaged Businesses, and Veteran owned Small Businesses.

This report should be sorted by manufacturer/supplier, and include (at a minimum) quantities and dollar values. Note: This report is for direct subcontracts for products supplied to customers. This report is not to include indirect costs.



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2. A summary page of the report shall also be submitted which highlights the total dollars and percentages for each category. This information is very important since DSCP is required to report its success in meeting these goals to the Defense Logistics Agency (DLA). Also requested, but not required since DLA doesn't mandate that their goals be reported, is a listing of products supplied and/or manufactured by UNICOR, Labor Surplus Areas, historically Black Colleges or Universities and Minority Institutions.

**C. Monthly Slow Movers Report:**

This report should list all items that are not moving as originally forecasted and where shelf life expiration is a concern. The report should be sorted by item description and show quantity, dollar value, NSN, unit of issue, unit of measure, purchase ratio factor, original shelf life and shelf life remaining.

**D. Rebate Reports:**

1. **Monthly General Rebates** - All rebates that have been passed along to the customer via off-price reductions shall be summarized by listing each customer and the rebate amount. Also include the manufacturer offering the rebate and the product usage. The total should be per customer and per contract.

2. **Monthly NAPA Report** - This report should summarize the savings passed along to the customers in the form of deviated allowances realized as a result of utilizing the NAPA's. The Prime Vendors shall list each customer, the NAPA amount, the manufacturer/broker name, and quantity ordered. NAPA figures should be listed per customer, per contract and per manufacturer.

3. **Food Show Rebates** - This report should show a detailed break out of all savings received at your Food Show(s). This report is not a monthly requirement, but is based on the time of your Food Show(s). It shall be submitted within 2 weeks after food show savings end showing actual savings. The Prime Vendor shall list each customer, the Food Show amount, the manufacturer/broker name, and quantity ordered. Food Show Rebates should be listed per customer, per contract, and per manufacturer. The total should be per customer and per contract.

**E. Monthly Not-In-Stock Report:**

Sorted by date order was placed, line item, number of units ordered, number of units not received, total dollar value of units ordered and total dollar amounts of units not received. Dollar amounts will be subtotaled by product category, as well as by overall total.

**F. Monthly Rejection Report:**

Sorted by line item, number of units received, number of units rejected, total dollar amount of unit received, and the total dollar amounts of units rejected. Dollar amounts should be subtotaled by product category, as well as by overall total.

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**G. Monthly Customer Service Report:**

The Prime Vendor shall develop and provide a report to the DSCP Contracting Officer summarizing all discrepancies and complaints received from their ordering activities. This report shall also report the actions taken by the Prime Vendor to resolve their customer's discrepancies and complaints.

**H. Monthly Descending Dollar Value Report:**

Sorted by line item; each line to contain at a minimum, DSCP Stock Number, Item Description, Pack or Size, Brand description, quantity, and total dollar value of units shipped. Dollar amounts will be totaled.

**I. Monthly Descending Case Volume Purchases Report:**

Sorted by line item; each line to contain at a minimum, DSCP Stock Number, Item Description, Product category, Pack or Size, Brand Description, quantity, and total dollar value of units shipped. Dollar amounts will be subtotaled by product category, as well as by overall total.

**J. Vendor Catalog Report (to be submitted with each catalog update):**

Sorted by Item Description. Prime Vendors must list all information including DSCP Stock Number, Prime Vendor Part Number, Item Description, Item Category, DSCP Unit of Issue, Delivered Price (the actual invoice price (in U.S. Currency) of the product paid to the manufacturer/supplier, for delivery of product to offeror's CONUS distribution point), Distribution Price and the Purchase Ratio Factor.

**K. Total Asset Visibility Report (to be submitted within 8 hours of Contracting Officer request):**

This report consists of a spreadsheet that shows vendor on-hand and due-in data.

**HEALTH CERTIFICATES & EXPORT CERTIFICATION REQUIREMENTS:**

Refer to pages 77 – 78 of the Amended Solicitation

**Contract Clauses, Representations, Certifications, and Other Statements of Offerors**

**PWC PLACES OF PERFORMANCE:**

Lankford-SYSCO Food Service  
33239 Costen Road  
Pocomoke City, MD 21851-0477

Public Warehousing Co  
6<sup>TH</sup> Ring Road  
Sulaibia, Kuwait

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QNIE Warehousing Complex  
Street 2, Industrial Area  
Doha City, Qatar

**OPTION RENEWAL:**

The contracting officer may extend the term of this contract for four (4) additional one-year period(s) by written notice to the contractor within the time specified in the schedule; provided that the contracting officer shall give the contractor a preliminary written notice of intent to extend at least 60 days before expiration of the contract. The preliminary notice does not commit the government to an extension. Performance under the option period shall continue at the same performance level specified for the basic contract. The option to extend the term of the contract shall be exercised not later than three (3) days before the expiration date of the contract. The option is deemed exercised when mailed or otherwise furnished to the contractor.

**Administration****POINTS OF CONTACT:**

Activity	Name	Position	Phone #	FAX #
PWC	Toby Switzer	General Manager	965-809-222 X202 965-983-5801 (Cell)	965-467-9617
DSCPE	Ken Gunn	Account Manager	49-613-460-4379 49-172-943-0455(cell)	49-613-460-4573
DSCPE	Jan Markies	Account Specialist	49-613-460-4573	49-613-460-4573
DSCPE	Guenter Becking	STORES Specialist	49-613-460-4571	49-613-460-4573
DSCPE	Delia Thomas	Contracting Officer Rep	30-054-379-8856 39-335-103-1403	39-054-379-8506
DSCP	Linda Ford	Contracting Officer	215-737-3780	215-737-4356
DSCP	Don Murphy	Contract Specialist	215-737-7458	215-737-4356
DSCP	Woody Cooper	Account Manager	215-737-9198	215-737-4356
DSCP	Ann Hagan	Traffic Mgmt Specialist	215-737-5870	
MTMC	Lydia Brayton	Traffic Mgmt Specialist	703-681-2497 703-681-6577	
MTMC	Pam Mainor	Transportation Claims Spec.	757-878-7994	757-878-8622

